NORTHERN ARIZONA PUBLIC EMPLOYEES BENEFIT TRUST MEETING MINUTES February 20, 2009

The following Consultants/Vendors were present:

Amy Girardo Segal

The following Trustees were present:

Allison Eckert Coconino County
Jim Wine City of Flagstaff

Jami Van Ess Coconino Community College District

The following Alternate Trustees were present:

Shannon Anderson City of Flagstaff
Kathy Jenkins Coconino County

Bob Kuhn Flagstaff Unified School District

The following guests were present:

Carrie Cromer Flagstaff Unified School District

Judy Jones NAIPTA

Siri Mullaney Coconino Community College

Angi Napier Coconino County

Kathy Reichman Flagstaff Unified School District

Sandi Schulz Coconino County

Drew Sharp Coconino Community College
Tina Wells Accommodation School

Barbara West Flagstaff Unified School District

The following Trustees, Alternate Trustees and guests were not present:

Theresa Alvarado Coconino Community College District

Deborah Beals Flagstaff Housing Jane Binder City of Flagstaff

Kevin Brown Flagstaff Unified School District

Debbie Gangloff City of Flagstaff

AGENDA

1. CALL TO ORDER 12:30 pm

APPROVAL OF MINUTES Approved. Board Meetings – January 16 and January 23, 2009

ACTION ITEMS

A. Renewals, Medical Plan Projection, Plan Changes & Contribution Rates

BCBS presented an increase to administration fees, but it was negotiated down five percent. However, the stop loss fees are increasing by the same total annual amount as the decrease to the administration fees (approximately \$90,000). The Trustees may want to consider bidding the stop loss insurance for a better price. BCBS would not charge \$1.50 per employee per month interface fee if either Symetra or HM Life is chosen as the stop loss vendor.

Dental Renewals – the increases were discussed.

The Health Equity renewal has not been received yet.

Vision, Basic Life and AD&D, Voluntary Life, ASI (FSA), and COBRA Administration rates and fees will not receive an increase on 7/1/09.

Domestic Partner Benefits - A report was prepared for every entity regarding imputed income for Domestic Partners based on the current rates. Some of the entities are likely to adopt domestic partner coverage effective 7/1/09.

Three and Four Tier rates were discussed for medical contributions. The Board decided to remain with the current two-tier rates.

There was a discussion on the new state mandated autism benefit. There was a Motion to include Autism benefits in the plan effective 7/1/09 – Approved.

B. Reserves Amy Girardo

A presentation was reviewed.

The Trustees need to consider whether or not they want to give Blue Cross \$2 million as an up front claim hold in order to obtain a \$2 per employee per month reduction to their administrative fees.

The Trustees discussed having a premium holiday before 6/30/09. The equivalent of \$1 to \$1.2 million was discussed. The Trustees will bring this back to the next meeting after discussion with their employers.

C. April Newsletter (Open Enrollment)

Amy Girardo

Motion to approve Segal's preparation of open enrollment communications 2009-2010 - Approved.

D. Long Term Care Amy Girardo

One proposal for long term care insurance – Prudential was received. The Trustees will consider whether or not they want to offer Long Term Care and will vote next month.

E. Domestic Partner Coverage Update

Amy Girardo

This item was discussed under Action Item A (see above).

F. Waiving Coverage Committee

Amy Girardo

The Committee has been asked by the Board to reconvene and make a recommendation to the Board regarding waiving coverage.

G. Retiree Healthcare Committee

Amy Girardo

Committee met and set common goals along with other issues they need to address that are important to each entity. They will continue to meet and discuss retiree health.

H. Project Plan Amy Girardo

Updated - Next meeting look at updated medical projection and renewals.

4. INFORMATION REPORTS

A. Zobel Hall Report – Report distributed

Amy Girardo

B. Monthly Medical Claims Report - Report distributed

Amy Girardo

C. BCBS Administrative Fee Payment Issues – Report distributed

Amy Girardo

- 5. CALL TO THE PUBLIC None
- 6. CURRENT EVENT SUMMARIES None
- 7. ANNOUNCEMENTS
- 8. NEXT REGULAR MEETING: March 27, 2009, 12:30 pm
- 9. EXECUTIVE SESSION None
- 10. ADJOURNMENT Meeting adjourned at 2:00 pm